



BRIAN SANDOVAL
Governor

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION

515 East Musser Street, Suite 300

Carson City, Nevada 89701

Phone (775) 684-0170 • Fax (775) 684-0188

ANDREW K. CLINGER
Director

GREG SMITH
Purchasing Administrator

February 9, 2011

Doug D'Alessio
W.W. Grainger, Inc.
3691 Industrial Blvd
West Sacramento, CA 95691

Dear Mr. D'Alessio;

This letter serves as notice to W. W. Grainger, Inc. that the WSCA Contract No.7066 – A Multi-State Contract for Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies and Equipment - has been extended for an additional 60 days. The new termination date for this contract will be April 30, 2011.

It is expected that contract awards based on RFP 1862- A Multi-State Contract for Facilities Maintenance, Lighting Products, Industrial Supplies and Tools will be completed before this termination date. All WSCA and NASPO States will have the option to discontinue use of this contract (#7066) and begin use of the RFP 1862 contract awards as individual State Participating Addendums are signed.

Sincerely,

Gail Burchett, Purchasing Officer II
Nevada State Purchasing

Please visit our website at <http://purchasing.state.nv.us>



KENNY C. GUINN
Governor

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION

515 East Musser Street, Suite 300
Carson City, Nevada 89701
Phone (775) 684-0170 • Fax (775) 684-0188

JOHN P. COMEAUX
Director

GREG SMITH
Purchasing Administrator

November 18, 2005

Doug D'Alessio
Grainger Industrial Supply
3169 Industrial Blvd.
West Sacramento, CA 95691

Fax: (916) 471-0515

Dear Mr. D'Alessio:

Congratulations!! This letter is to notify you that the final contract for Bid No. 7066 for A Multi-state Contract for Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies & Equipment has been awarded to Grainger Industrial Supply. The contract amount for the State of Nevada is \$10,906,602.00. This letter serves as formal notification that the ten- (10) day appeal period has commenced, effective the date of this letter. Pursuant to NRS §333.370, an original notice of appeal and associated security in the amount of \$2,726,651.00 must be received no later than November 28, 2005 at 5:00 p.m. pacific time at the Purchasing Division to appeal this decision. Additionally, copies must be filed within the same time constraints with the Hearings Division. The corresponding addresses are as follows:

Purchasing Division
515 East Musser St., Suite 300
Carson City, Nevada 89701

Hearings Division, Appeals Office
1050 East William Street, Suite. 450
Carson City, Nevada 89701

Any notice of appeal must be filed in strict accordance with NRS §333.370. The Purchasing Division and the Hearings Division may not render any advice with regard to the appeal process; vendors are advised to refer to the above referenced statute for further instructions on filing a notice of appeal.

On behalf of the State of Nevada, thank you for your interest in our project. Please call me at (775) 684-0172 if you have any questions.

Sincerely,


Gail Burchett, Purchasing Officer
Nevada State Purchasing

Approved 07/2003
Revised 10/2004

Please visit our website at <http://purchasing.state.nv.us>

State of Nevada
Department of Administration
Purchasing Division
515 E. Musser Street, Suite 300
Carson City, NV 89701



Kenny C. Guinn
Governor

Greg Smith
Administrator

Date: November 18, 2005

*****NOTICE OF AWARD*****

A Notice of Award discloses the selected vendor(s) and the intended contract terms resulting from a State issued solicitation document. Contract for the services of an independent contractor do not become effective unless and until approved by the Board of Examiners.

Vendor: Grainger Industrial Supply

Commodity: Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies and Equipment

Contract Amount: \$10,906,602.00

Contract Term: December 1, 2005 thru November 30, 2007

LISTING OF AWARDED ITEMS:

RFP/Bid # 7066-Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies and Equipment

Using Agency: Statewide

This Notice of Award has been posted in the following locations:

- | | | | |
|----|----------------------------|--------------------|-------------|
| 1. | State Library and Archives | 100 N. Stewart St. | Carson City |
| 2. | State Purchasing | 515 E. Musser St. | Carson City |
| 3. | Kinhead Building | 505 E. King St. | Carson City |

Pursuant to NRS 333.370, any unsuccessful proposer may file a Notice of Appeal within 10 days after the date of this Notice of Award.

NOTE: This notice shall remain posted until November 28, 2005



November 10, 2005

State of Nevada
Department of Administration
Purchasing Division
515 East Musser Street, Suite 300
Carson City, Nevada 89701

Attn: Gail Burchett, Purchasing Officer

Re: WSCA Bid 7066 – Best and Final Offer

Dear Ms. Burchett,

On behalf of Grainger Industrial Supply, I would like to thank the Western States Contracting Alliance (WSCA) and the evaluation committee for the opportunity to provide Grainger's best and final offer for Bid 7066, a Multi-State Contract for Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies and Equipment. Grainger would like to further extend an offer to clarify our proposal beyond the details included below, at WSCA's convenience.

As a result of the initial phase evaluation, WSCA has invited Grainger to improve our bid while specifically addressing the following:

- A best and final pricing schedule for market basket sections 1, 5, 7 and 12
- A more robust Balance of the Line Offering
- Revisit exceptions to the solicitation terms and conditions; specifically subsections 3.6, 3.8 and 8.8
- Identification of all Participating State assigned contacts, i.e., Sales Managers and Representatives including contact information for each
- Identification of a National Government Strategic Marketing Team

The attached Best and Final Offer addresses the points outlined above. I look forward to continued discussions regarding Grainger's comprehensive maintenance, repair and operating (MRO) supplies offering.

Sincerely,

Doug D'Alessio
Senior Government Sales Manager
WSCA Program Manager
Grainger Industrial Supply,
division of W.W. Grainger, Inc.
Ph: 916.503.0229
doug.d'alessio@grainger.com



WSCA Bid # 7066
Grainger's Best and Final Offer

November 10, 2005

Best and Final Pricing Schedule for Market Basket Sections 1, 5, 7, and 12

Grainger is pleased to provide the enhanced pricing schedule set forth in the attached **Exhibit C**, "WSCA Grainger #7066 Market Basket.xls" as its best and final pricing offer. Grainger has been diligently working with its suppliers to provide better pricing for this opportunity. We are extremely satisfied with the results of this effort and trust that the WSCA committee will be as well.

Prior to the submittal of our response, Grainger conducted a review of actual items purchased by Participating States over the last two years; coupled with knowledge of WSCA contract purchasing patterns over the entire contract term. This review revealed high-usage items not included in the Market Basket for Bid 7066.

Grainger has priced the high-usage items mentioned above and attached the pricing herein as **Exhibit D**, "WSCA High Usage Items". Highlighted in **Exhibit D** are 16 most commonly purchased items that through additional negotiations with our suppliers resulted in a significant savings to the WSCA organization based on prior year usage.

The table below summarizes Grainger's Best and Final pricing offer and represents the pricing concessions that we are providing as a part of the revised ITB 7066 Market Basket.

Market Basket Section	Original Solicitation Price	Best and Final Negotiations Price	Dollar Difference	Percentage Difference
1	\$ 429,459.12	\$ 381,231.43	\$ 48,227.69	13%
5	\$ 2,182,851.38	\$ 2,107,305.99	\$ 76,536.55	4%
7	\$ 236,237.69	\$ 214,674.67	\$ 21,563.02	10%
12	\$ 663,261.03	\$ 614,413.29	\$ 48,847.74	8%
Totals	\$ 3,511,809.22	\$ 3,316,634.22	\$ 195,175.00	6%

A More Robust Balance of the Line Offering

Grainger's discount structure, outlined in the original WSCA "Exhibit A Discount Structure", is Grainger's best primary pricing offering. This discount program applies to all of the products in the catalog, representing approximately 140,000 products and thousands of name brand manufacturers. Grainger is uniquely positioned to offer WSCA the broadest choice in industrial grade facilities maintenance products at competitive prices. When looking at Grainger's pricing structure it is critical to understand that Grainger's offering consists of high grade industrial products which allow our customers to safely perform their jobs.



Again, once Grainger received the invitation to provide a Best and Final Offer, Grainger began working to enhance its offering. Grainger is pleased to provide the discounts below as additional pricing concessions. (See original Exhibit A attached) The summary below outlines the significantly improved offering located in Exhibit A that will, based on historical usage, increase the overall value Grainger provides WSCA.

Manufacturer	Original Solicitation MSLP Discount by Manufacturer	Best and Final Negotiations MSLP Discount by Manufacturer
DeWalt	Up to 48% off DeWalt Current Industry Net Price Schedule	Up to 50% off DeWalt Current Industry Net Price Schedule
Stanley	Up to 52% off Stanley Manufacturer Current List Price	Up to 66% Off Stanley Manufacturer Current List Price
Advance Transformer - all Discounts apply from June 1, 2005 CATALOG 155CC		
Advance - Electronic	80% Off Manufacturer Current List Price	83.5% Off Manufacturer Current List Price
Advance - FLB	75% Off Manufacturer Current List Price	77.5% Off Manufacturer Current List Price
Advance - HID	75% Off Manufacturer Current List Price	77.5% Off Manufacturer Current List Price

Exceptions to Solicitation Terms and Conditions (3.6, 3.8 and 8.8)

Section 3.6 Prices for all items associated with this contract are to be FOB Destination anywhere within the participating WSCA states or geographic area offered.

and

Section 8.8 DELIVERY, INSPECTION, ACCEPTANCE, TITLE, RISK OF LOSS: Vendor agrees to deliver the goods as indicated in the Contract, and upon acceptance by the State, title to the goods shall pass to the State.

After careful consideration and significant work, Grainger retracts our original objections and clarifications to Sections 3.6 and 8.8 as submitted in Grainger's Bid 7066 Letter of Clarification and Grainger's Bid 7066 Technical Response and agrees to implement a manual internal process to track accounting and tax ramifications for these free freight, delayed title transfer orders.

Additionally, Grainger offers the following for consideration relative to Grainger's confidential and proprietary information.

Section 3.8

Page 7; Subsection 3.8. Under this offer, the following will apply to reports provided under the contract: "All reports and the information contained in the reports are considered confidential and proprietary. To the extent permitted by law, WSCA and Purchasing Entity Buyer's agree that they will keep this information confidential and only use it for their own benefit, including this WSCA Contract Number 7066 To the extent permitted by law, WSCA or Purchasing Entity Buyers may share such confidential and proprietary information with third party consultants if such third parties agree to keep the information confidential and agree to not disclose it to any other third parties and agree to use it solely for the purpose of work on behalf of and for the benefit of WSCA or the Purchasing Entity Buyer engaging the consultant.



Identification of all Participating States Assigned Contacts

Experienced Grainger Government Account Managers are responsible for individual government customer locations. Grainger's government sales coverage model provides a comprehensive, unmatched customer service solution. Attached herein are examples of Grainger's complete coverage model representing Grainger's vast sales force. The comprehensive outline is detailed in the following Exhibits:

- Exhibit F** Grainger United States Government Customer Coverage Map
- Exhibit F-1** Grainger United States Government Customer Coverage Contact List
- Exhibit F-2** Grainger WSCA Contract Contact List

Identification of National Government Strategic Marketing Team

Grainger believes the dual concepts of strategic marketing and contract implementation are inextricably intertwined; the success of any long-term contract hinges on the understanding of mutual expectations and consistent implementation across all Participating State Agencies. Grainger's post-award approach, therefore, links two complementary strategies; Award Implementation and Marketing.

Implementation

Immediately upon award, Grainger will host conference calls inviting all WSCA Participating State representatives. The purpose of the call will be to highlight the features of the new contract. Grainger will immediately contact each designated WSCA Procurement Official to execute the WSCA Participating Addendum. Concurrently, Grainger's entire experienced WSCA sales, branch network and sales support force will be thoroughly educated on the specific contract terms.

Immediately following the execution of each Participating Addendum, all current 15,413 WSCA customers will be contacted to drive awareness of the new award. Promotion of WSCA to Grainger's government customer base will create additional brand awareness for the WSCA organization.

Upon award, Grainger's Sales and Implementation Team will assist in facilitating the new WSCA Industrial Supplies Contract. Grainger's vast experience with these customers will be an invaluable resource toward a successful and timely contract launch. Focusing Grainger's Sales and Implementation Team's considerable resources on the WSCA customer base will ensure speed-to-cost savings for Participating State Agencies utilizing scalable and repeatable processes. Grainger's Sales and Implementation team, in conjunction with Grainger WSCA-aligned Government Sales Managers, Government Account Managers, extensive Branch network, and WSCA members, will be responsible for executing a comprehensive implementation plan that meets and exceeds our mutual objectives.

Grainger has had success in the past utilizing on-site workshops to coordinate and begin to implement local contract goals and objectives.



Contract Implementation Workshop Meeting

1. Initial WSCA geographical customer workshops will occur in all participating states. Attached as **Exhibit E** is a list of host cities and proposed WSCA Customer Implementation Planning workshop dates.
2. Each workshop will include the State Aligned Government Sales Manager, Grainger Account Manager, local Grainger District Sales Manager, local Grainger Branch Contact, and local Grainger Branch Manager. This team will focus primarily on a specific WSCA customer's initial Implementation Strategy.
3. Each Regional Workshop will include WSCA customer-specific implementation plans spotlighting WSCA's largest customers; implementation plans will be tailored to specific customer needs. These planning sessions will include time lines; roles and responsibilities; and action steps to meet and exceed WSCA customer expectations.
4. Grainger's workshop strategies will assist states, cities, counties and educational organizations to consolidate spend within unique product lines. Grainger's complete and robust product offering can assist WSCA customers in reducing overall procurement process costs. The emphasis will be on unplanned, infrequently purchased product. Grainger's implementation plan includes engaging the highest level purchasing authority to re-emphasize the value of the WSCA contract.
5. Below is a template of a strategic WSCA Customer Planning Workshop:

Pre-work

- Review Scope of Work
- Document a preliminary implementation strategy
- Determine number of sites
- Identify internal resources
- Determine customer contacts
- Identify suppliers needed

Planning Session

- Confirm implementation strategy with planning team
- Develop implementation checklist including dates with customer and team
- Develop communication documents
- Align internal and external resources
- Develop site workshop agenda

Key Actions

- Conduct conference calls with the Grainger internal team
- Conduct conference calls with WSCA customer
- Conduct implementation workshop at customer sites
- Assign workshop objectives and timelines unique to that location
- Conduct site assessments
- Establish team barrier removal process
- Identify functional process
- Engage Grainger cross-referencing at customer sites, if necessary



- Reports built by Grainger cross-referencing of SKU level data
- Deliver data back to customer

Monitoring

- Implementation Project Manager and Government Sales Manager reviews
 - Measure compliance
 - Develop Standardization Strategy
 - Identify gaps / remove barriers
6. Upon selection, Grainger will utilize our award-winning eBusiness website to host important contract information specific to each individual Participating WSCA State's Homepage. This site will host state-specific WSCA contact information, benefits of the contract and discount structure. Grainger contact information will be provided with the ability to email your Grainger representative. The Homepage links each user directly to either their Participating State's internet site or WSCA website through hyperlink technology. Grainger invites WSCA to co-brand this material to further drive WSCA brand awareness at no cost to WSCA.
 7. Grainger has developed marketing materials designed to articulate complete contract details consistent with the appearance of each aforementioned Homepage. The marketing collateral is intended to be used as a tool for our sales team and WSCA customers to discuss the features and benefits of the Industrial Supplies Contract. Grainger invites WSCA to co-brand this material to further drive WSCA brand awareness at no cost to WSCA.

Marketing

Grainger's State and Local Government Marketing team is dedicated to promoting Grainger's value and capabilities to the Government market.

Grainger's Marketing team collaborates with other industry-leading organizations for the mutual benefit of both parties. Specifically, the WSCA organization will be one of the most valued strategic partners identified by the Marketing Team for future activities. Upon successful award of the contract, the Grainger Marketing team will work closely with WSCA to develop a strategic National marketing plan focused on promoting the value both organizations bring to our mutual Government customers.

Grainger has extensive experience in developing strategic marketing plans supporting other national organizations and contracts in the Government market. These include the Education and Institutional (E & I) contract, our Federal GSA contract and the United States Postal Service (USPS) Maintenance Repair and Operating supplies contract.

Several of the potential tactical elements that will be contained, post award, within the joint Marketing plan are listed below. Grainger has experience in all these areas.

Direct Marketing

The WSCA contract and related benefits can be promoted to all member states through Grainger's direct mail program. This program has been successfully utilized in the past, communicating the WSCA contract value to thousands of members each quarter. Together, we can build upon this success and drive contract awareness deeper into our customer/member base. In addition, this communication



program can be extended to include other topics of interest. Communications could include specific products, services, and solutions of interest to our target audience.

Web-Based Marketing

As mentioned above, Grainger's world class website, www.grainger.com, is a proven, effective and efficient marketing tool. Grainger.com hosts our "Home Page" concept and related information. Each Home Page is unique to a specific contract or customer and is designed to drive awareness of a specific contract message. The Home Page can be customized and designed to meet specific communication needs. Again, this concept has been used in the past with WSCA and can be enhanced to the mutual benefit of both organizations.

Grainger's email marketing has demonstrated significant success in alerting our customers instantly of contract updates, new product alerts, and other information of interest. This method of communication allows our customers to make more informed buying decisions quicker.

Grainger also develops and distributes electronic newsletters. These newsletters contain articles and other information of interest to customers. A WSCA-specific electronic newsletter will be developed to further promote the value of both organizations.

Trade Shows

Grainger participates in many national, regional, and local trade shows and similar events throughout the year supporting targeted organizations. Examples of these events include the National Association of State Procurement Officials, National Association of State Chief Administrators, National Association of State Facility Administrators, National Association of Education Buyers, National Association of College and University Business Officials, and Association of Higher Education Facilities Officers.

National and regional/local WSCA events will become part of the larger joint strategic plan.

Over the last seven years, Grainger's dedicated government marketing team invested a significant amount of the marketing budget to support the cost of these efforts.

Grainger's Government Marketing Team:

Laura Brown	VP Marketing
Don Scheibenreif	Director of Government Marketing
Kristen Johnson-Holz	Director of Marketing Communications
Leann Griebner	Sales Service Manager
Mamie Andry	Government Customer Marketing Manager
Maria Keevins-Kogen	Integrated Planning Manager
Marty Johnson	Government Marketing Manager
Mary Beth Parker	Government Customer Marketing Manager
Jan Parks	Associate Government Marketing Manager
Rachael Cronin	Associate Government Marketing Manager



Best and Final Offer ITB 7066 Exhibits

Best and Final Grainger Discount Structure	Exhibit A
Best and Final Pricing Schedule for Market Basket	Exhibit C
WSCA High Usage Items	Exhibit D
Grainger's WSCA Implementation Dates	Exhibit E
*Identification of all Participating States Assigned Contact List	Exhibit F Exhibit F1 Exhibit F2

*Company Confidential



September 13, 2005

State of Nevada, Purchasing Division
Attn: Gail Burchett, Purchasing Officer
515 E. Musser Street, Suite 300
Carson City, NV 89701

Re: WSCA Bid #7066

Dear Gail:

Thank you for allowing Grainger the opportunity to present the enclosed Multi-state Contract for Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies & Equipment (Bid #7066) proposal. Our proposal consists of one master bid document in CD and paper format, as well as six copies in CD and paper format as per the bid instructions.

Each individual bid submission package contains:

- 1) Original WSCA bid document with executed signature page
- 2) Grainger's Technical Proposal (Complete WSCA ITB with Grainger Narrative to General Requirements)
- 3) Exhibit A - Discount Structure
- 4) Exhibit B - Letter of Clarification
- 5) Exhibit C - Customer Focused Quality Report Card

Grainger is prepared to leverage its dedicated government organization of over 450 individuals to drive execution of this contract should we be the fortunate awardee. We are confident that we can continue to show demonstrated cost savings and improved value added services. Couple the aforementioned with 413 domestic branch locations and 9 strategically placed state-of-the-art distribution centers and we feel Grainger is uniquely positioned to service WSCA's participating State agencies. We look forward to continuing Grainger and WSCA's long-term relationship.

Please feel free to contact me with any questions or concerns.

Sincerely,

Government Sales Manager
Phone: 916.503.0229
Fax: 916.471.0515
doug.d'alessio@grainger.com



Table of Contents For Grainger's Bid Submission of ITB 7066

- 1) Original WSCA bid document with executed signature page
- 2) Grainger's Technical Proposal (Complete WSCA ITB with Grainger Narrative to General Requirements)
- 3) Exhibit A - Discount Structure
- 4) Exhibit B - Letter of Clarification
- 5) Exhibit C – Customer Focused Quality Report Card

State of Nevada
Department of Administration
Purchasing Division
515 E. Musser St., Room 300
Carson City, NV 89701



Kenny C. Guinn
Governor

Greg Smith
Administrator

NEVADA STATE PURCHASING DIVISION
CAPITOL COMPLEX
CARSON CITY, NEVADA 89701

SUBJECT: Amendment No. 01 to Invitation to Bid No. 7066

DATE OF AMENDMENT: August 29, 2005

DATE OF BID RELEASE: August 3, 2005

DATE AND HOUR OF OPENING: September 14, 2005 @ 3:00 PM

CONTACT: Gail Burchett, Purchasing Officer

The following shall be a part of **Bid No. 7066 for A Multi-state Contract for Industrial Supplies & Equipment, Lighting Products, Janitorial Supplies & Equipment.**

Section I:

Please note that the correct time and date for bid opening:

September 14, 2005 @ 3:00PM

Section II:

Section 3.17 of the bid document shall be removed and the following substituted.

Contract prices represents ceiling prices for the supplies and services priced in the award(s). The vendor shall report to the Lead State any price reduction or discount, or other more favorable terms, offered to any Purchasing Entity, and the awarded vendor agrees to negotiate in good faith to reestablish ceiling prices or other more favorable terms and conditions applicable to future orders. Vendors that engage in innovative procurement practices such as strategic sourcing, aggregate purchasing, etc., with a Purchasing Entity at the request of the Purchasing Entity are exempt from the reporting requirement.

Section III:

The following States have indicated their intent to participate, via written letter, in awards issued from this solicitation. This list is not all-inclusive; Other States may indicate their written intention to participate at a later date.

Alaska
Colorado
Louisiana
Montana



Division of Purchasing

BID No.7066

for

**A Multi-state Contract for Industrial Supplies & Equipment,
Lighting Products, Janitorial Supplies & Equipment**

to be delivered F.O.B. destination

Any Point Within Boundaries of Participating State

Release Date: August 3, 2005

Deadline for Submission and Opening Date and Time: September 14, 2005 @ 3:00 P.M.

For additional information, please contact:

Gail Burchett, Purchasing Officer

(775) 684-0172

(TTY for the Hearing Impaired: 1-800-326-6868.

Ask the relay agent to dial 1-775-684-0170/V.

See Page 10, for instructions on submitting bid.

Contact Information

Company Name: Grainger Industrial Supply

Address: 3169 Industrial Blvd City: West Sacramento State: CA Zip: 95691

Telephone: (916) 503-0229 Fax: (916) 471-0515

E-Mail Address: Doug.D'Alessio@grainger.com

Prices contained in this proposal are subject to acceptance within 90 calendar days

Contact Person: Doug D'Alessio

Print Name & Title: Doug D'Alessio, Senior Government Sales Manager

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Exhibits

- Exhibit A - Grainger and Manufacturer Discount Structure
- Exhibit B - Grainger Letter of Clarification
- Exhibit C - Grainger Customer Focused Quality Report Card

1. OVERVIEW OF PROJECT

The State of Nevada, Purchasing Division on behalf of the Western States Contracting Alliance (WSCA) is seeking a vendor or vendors to provide Industrial Supplies and Equipment, Lighting Products and Janitorial Supplies and Equipment. Bids will be accepted from qualified vendors that can provide one (1) or all products at the minimum of one of the thirteen categories listed below:

- Adhesives, Sealants and Tape
- Motors & Power Transmission
- Cleaning & Painting
- Outdoor Equipment
- Electrical
- Pneumatics and Hydraulics
- Heating, Ventilation, Air Conditioning/Refrigeration
- Pumps & Plumbing
- Lighting
- Safety & Security
- Material Handling and Storage
- Tools & Test Equipment
- Metal Working, Welding & Lubrication

This procurement contemplates a multi-state scope and may result in more than one award. In determining an award factors considered will include but not be limited to, pricing, range of commodities offered; scope of geographical coverage offered; the States' judgments concerning the bidder's capability to meet demand within the geographical area bid; the quality and availability of recycling or environmental conservation programs (if applicable); the favorability of the terms under which the vendor will do business; and other vendor programs, capabilities, and product characteristics judged to provide additional value or administrative cost savings to the Participating States.

While the primary purpose of this solicitation is to select a vendor(s) who can offer the supplies for all Participating States, vendors are permitted to bid on more limited geographical areas, however, not less than one Participating State. Bidders must clearly describe the geographical limits (e.g. by State name) if proposing a geographical area less than that of all Participating States.

A Participating State may evaluate and select a vendor for award in more limited geographical areas where judged to be in the best interests of the State or States involved. Administration of any such award(s) will be done by the Participating State(s) involved unless the awarded contract includes the Lead State in its geographical area.

WSCA, Participating States, and Purchasing Entities reserve the right to competitively solicit additional sources for commodities during the contract term, where deemed to be in the best interests of the State(s) or entities involved. Further, Participating States may have existing awards for commodities within the scope of this solicitation.

Any Participating State reserves the right to award partial commodity categories or not participate in the award if deemed to not be in the best interests of that Participating State.

All pricing listed shall be ceiling prices with the option for Participating States to negotiate more favorable discounts for large orders.

Use of any resultant contract(s) is permissive.

1.1 VOLUME DISCOUNTS

General

Additional volume and other price discount options are invited, which can distinguish between individual order minimum quantities, cumulative volume discounts, and other discount terms that may be defined by the bidder. Extensions of additional discounts are not required but may be evaluated if offered.

Cumulative Ordering Volume Discounts

The bidder is invited to identify additional percentage discounts if total cumulative ordering volumes (by all Purchasing Entities) exceed an amount specified by the vendor. If the volume of total orders exceeds that amount in any quarter, the offered discount will apply to future orders during the term of the award(s), as extended through option exercises.

Volume Discount for Minimum Order Quantity

The bidder is also invited to propose discounts for minimum order quantities. Purchasing Entities may consolidate purchases in order to take advantage of any volume discount extended by vendor for minimum orders, so long as a single delivery location at the discretion of the Purchasing Entity is specified.

2. ACRONYMS/DEFINITIONS

For the purposes of this bid, the following acronyms/definitions will be used:

<i>Awarded Vendor</i>	The organization/individual that is awarded and has an approved contract with the State of Nevada for the services identified in this RFP.
<i>Bidder</i>	Organization/individual submitting a bid in response to this Invitation to Bid.
<i>Division</i>	Department Administration, Division of Purchasing
<i>Evaluation Committee</i>	An independent committee established to evaluate responses submitted in response to the Invitation to Bid.
<i>Goods</i>	Within the definition of NRS 104.2105 identified in this Invitation to Bid.
<i>ITB</i>	Invitation to Bid

<i>Lowest Responsible Bidder/Vendor</i>	An organization or individual that is awarded a contract or order for the goods identified in this Invitation to Bid.
<i>May</i>	Indicates something that is not mandatory but permissible.
<i>NAC</i>	Nevada Administrative Code
<i>NRS</i>	Nevada Revised Statutes
<i>NOA</i>	Notice of Award. Formal notification of the State's decision to award a contract.
<i>Participating State</i>	A member of WSCA who has indicated its intent to participate by signing an Intent to Contract, or who subsequently signs a Participating Addendum where required, or another state authorized by WSCA to be a party to the resulting award(s) through the execution of a participating addendum. The State of Nevada is a Participating State and the WSCA Lead State. See Attachment D for a list of Participating States.
<i>Participating Addendum</i>	A bilateral agreement executed by the contractor and a Participating State that clarifies the operation of the award(s) for the State concerned, e.g. requirements.
<i>Purchasing Entity Buyer</i>	A Participating State or another legal entity, such as a political subdivision, properly authorized by a Participating State to enter into a contract for the purchase of goods described in this solicitation. Unless otherwise limited in this solicitation or in a Participating Addendum, political subdivisions of Participating States are Purchasing Entities and Participants authorized to purchase the goods and/or services described in this solicitation.
<i>Proprietary Information</i>	Any trade secret or confidential business information that is contained in a bid or proposal submitted on a particular contract.
<i>Public Record</i>	All books and public records of a governmental entity, the contents of which are not otherwise declared by law to be confidential (see NRS §333.333 and NRS §600A.030(5)) must be open to inspection by any person and may be fully copied or an abstract or memorandum may be prepared from those public books and public records.
<i>Shall/Must/Will</i>	Indicates a mandatory requirement. Failure to meet a mandatory requirement may result in the rejection of a proposal as non-responsive.
<i>Should</i>	Indicates something that is recommended but not mandatory. If the vendor fails to provide recommended information, the State may, at its sole option, ask the vendor to provide the information or evaluate the proposal without the information.

State The State of Nevada and any agency identified herein.

Trade Secret Means information, including, without limitation, a formula, pattern, compilation, program, device, method, technique, product, system, process, design, prototype, procedure, computer programming instruction or code that: derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by the public or any other person who can obtain commercial or economic value from its disclosure or use; and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Vendor Organization/individual submitting a proposal in response to this solicitation.

WSCA Western States Contracting Alliance, a cooperative group contracting consortium for state government departments, institutions, agencies and political subdivisions (i.e., colleges, school districts, counties, cities, etc.) for the states of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming.

2. SCOPE OF WORK – Please refer to Grainger’s Technical Proposal for a detailed and complete response to Section 3, Scope of Work.

- 3.1 This bid has been divided into categories with bid schedule items that generally represent those most frequently purchased during the previous contract period. These commodities are listed in the pricing section (Attachment E) of this solicitation.
- 3.2 Orders resulting from this contract will be placed directly with the vendor by the individual Purchasing Entity. The vendor must have toll free telephone numbers for use by those entities located outside of the vendor’s toll free area. This includes both telephone and Facsimile access. The vendor will ship and bill as requested by the ordering agency. The ordering agency will remit payment directly to the vendor. There are approximately 1,000 possible separate delivery locations within the State of Nevada. The number of locations will vary by participating WSCA states.
- 3.3 Toll Free Telephone and Facsimile Access Available? XX Yes ____ No
- 3.4 The successful vendor will remit to the State’s contract administrator an administrative fee in the amount of one-tenth of one percent (.1%) of the total sales from this contract.
- 3.4.1 The prices bid shall not be subject for adjustment to account for the fee.
DO NOT ADD THIS AMOUNT AT THE TIME OF ORDER TO THE PRICE OF ITEMS ON THE BID SCHEDULE.
- 3.4.2 A statement verifying the total sales amount must accompany the remittance. This remittance will be due not later than 45 days after the last day of each calendar quarter. The Contract Administration fee is intended to cover the costs of administering this contract.

- 3.4.3 In addition to the contract administration fee, some Participating States may require an additional administrative fee. This State specific administrative fee will not exceed 1% of the State specific sales.
- 3.5 In addition to the items shown on Attachment E, Purchasing Entities will be allowed to order from a successful bidder's catalog(s) or website for delivery anywhere within the participating WSCA states. WSCA requires electronic catalogs that are Internet based or contained on media for use on a personal computer. Any awarded vendor must make paper catalogs available upon request to any Purchasing Entity.
- 3.5.1 Bidders shall state the discount percentage from their catalog(s) list price for non-bid schedule items.
- 3.5.2 This discount percentage will be considered during the award of this contract.
- 3.5.3 Catalog(s) must be submitted with the bid as described in the Submittal instructions, section 5.3.4.
- 3.5.4 Percentage off balance of the line must be listed in the cost proposal.
- 3.6 Prices for all items associated with this contract are to be FOB Destination anywhere within the participating WSCA states or geographic area offered.
- 3.7 Delivery time for in-stock items should not exceed 24-48 hours. Non-stocked items must be delivered within 10 working days. Delivery time will be considered during the award of this contract.
- 3.7.1 Specify Guaranteed Delivery Time for In-Stock Items 24-48 Hours.
- 3.7.2 Specify Guaranteed Delivery Time for Non-Stock Items 3-10 Days
- 3.8 The vendor shall provide the State of Nevada Purchasing Division information on all reports that are available without charge, to include a brief description of the report and the frequency. The State of Nevada and participating WSCA states will decide which reports are required and notify the successful vendor. If there are other reports available at an additional cost, information on these reports is also required. Please note the reporting requirement in the WSCA terms and conditions.
- 3.9 Successful vendor shall provide Electronic Catalogs for all agencies as described in Section 3.5.
- 3.9.1 Electronic Catalogs available? xxx Yes _____ No
- 3.9.2 Type of electronic catalog offered _____

- 3.10 The State of Nevada and participating WSCA states require a successful bidder to provide an Internet address for access to a web-based catalog. The successful bidder should have a proven record of E Commerce capabilities, with the technology and support personnel to provide content deployment or punch out access to their online catalog, for the purpose of supporting the purchasing web sites of WSCA State Purchasing departments.

This catalog web site should offer features including but not limited to the following:

- Multiple search options from narrow options to specific search criteria.
- Display contract pricing
- Have workflow management controls
- On-line ordering capability
- Order status and order tracking capabilities
- Order history.
- Allow users to develop personal lists and profiles, and a secure means for storing procurement card information.
- Online help to use site should be available.
- Technical data, illustrations, Material Safety Data Sheets, parts availability, and access to web-based product sourcing are also required.
- Should allow viewers to view on line Bidder's product availability by location.

3.10.1 Web-based Catalog available? **XX** Yes ☐ No

3.10.2 Contract Pricing available on line? **XX** Yes ☐ No

3.10.3 Online workflow management? **XX** Yes ☐ No

3.10.4 Order Status/Tracking Online? **XX** Yes ☐ No

3.10.5 Order History? **XX** Yes ☐ No

3.10.6 Personal Lists? **XX** Yes ☐ No

3.10.7 Online Availability? **XX** Yes ☐ No

- 3.10 The successful bidder must provide paper and/or computer media catalogs to all agencies upon request for the duration of this contract.

- 3.12 The successful bidder should offer the capability to accept procurement cards as acceptable payment. Level III reporting is preferred.

3.12.1 Procurement Cards Accepted? **XX** Yes ☐ No

- 3.13 Products returned because of quality problems, duplicated shipments, outdated products, etc. shall be picked up by the contractor within 5 business days after notification with no restocking charge and replaced with specified products or the agency shall be credited or refunded for the full purchase price. Standard stock products ordered in error by agencies must be returned for credit within 15 days of receipt. Products must be in resalable condition and in original container, unused.
- 3.14 The total purchases of any individual item on the contract is not known. The Purchasing Division has attempted to give an accurate estimate of probable purchases of each item for the contract period. The Purchasing Division does not guarantee that the participating WSCA States will buy any or all estimated amounts of any specified item or any total amount.
- 3.15 The contract period shall be for two (2) years with the option to extend for three (3) additional (1) one year terms provided any requested price increases do not exceed the increase in the consumer price index for the previous 6 month period, there are no changes in terms, the awardees agree to the extension and the extension is in the best interest of the State (NRS 333.280). Price increases are not allowed during the initial two (2) year term of the contract.
- 3.16 It is desirable that a successful bidder has inside and outside sales staff and distribution facilities located in all participating WSCA states or geographic area offered. Bidders must provide the locations of their distribution points and information regarding sales staff for each participating WSCA state or geographic area offered.
- 3.17 Contract prices represent ceiling prices for the supplies and services priced in the award(s). The vendor shall report to the Lead State any price reduction or discount, or other more favorable terms, offered to any Purchasing Entity, and the awarded vendor agrees to negotiate in good faith to reestablish ceiling prices or other more favorable terms and conditions applicable to future orders.
- 3.18 Apart from the Lead State conducting the solicitation, the States indicated in Attachment D have signified their intent to enter into a contract and, except where specified or the solicitation requires execution of a Participating Addendum, are considered Participating States for purposes of this solicitation and the resulting contract. This Solicitation includes any significant State-specific provisions required by the laws, regulations, or procurement practices of these State(s).
- 3.19 Additional States may be added with the consent of the contractor and the Lead State (on behalf of the WSCA Participating States) through execution of a Participating Addendum.

4. COMPANY BACKGROUND AND REFERENCES

Please refer to Grainger's Technical Proposal for a detailed and complete response to Section 4, Company Background and References

4.1 PRIMARY VENDOR INFORMATION

Vendors must provide a company profile. Information provided shall include:

- 4.1.1 Company ownership (sole proprietor, partnership, etc).
 - 4.1.1.1 Incorporated companies must identify the state in which the company is incorporated and the date of incorporation. **Please be advised**, pursuant to NRS §80.010, incorporated companies must register with the State of Nevada, Secretary of State's Office as a foreign corporation before a contract can be executed between the State of Nevada and the awarded vendor, unless specifically exempted by NRS §80.015.
 - 4.1.1.2 The selected vendor, prior to doing business in the State of Nevada, must be appropriately licensed by the Department of Taxation, in accordance with NRS §360.780.
- 4.1.2 Disclosure of any alleged significant prior or ongoing contract failures, contract breach, any civil or criminal litigation or investigation pending which involves the vendor or in which the vendor has been judged guilty or liable with the State of Nevada.
- 4.1.3 Location(s) of the company offices and location of the office that will provide the services described in this ITB.
- 4.1.4 Is your firm a resident of Nevada or a resident of another state? If so, please list the state of residence. Does your resident state apply a preference, which is not afforded to bidders or vendors who are residents in the state of Nevada? This information may be utilized in determining whether an inverse preference applies pursuant to NRS §333.336.
- 4.1.5 Number of employees both locally and nationally.
- 4.1.6 Location(s) from which employees will be assigned.
- 4.1.7 Name, address and telephone number of the vendor's point of contact for a contract resulting from this ITB.

- 4.1.8 Company background/history and why vendor is qualified to provide the services described in this ITB.

4.2 **REFERENCES**

Vendors should provide a minimum of three (3) references from similar projects performed for private, state and/or large local government clients within the last three years. **Vendors are required to submit Attachment C, Reference Form to the business references they list. The business references must submit the Reference Form directly to the Purchasing Division.** It is the vendor's responsibility to ensure that completed forms are received by the Purchasing Division on or before the bid submission deadline for inclusion in the evaluation process. Business References not received, or not complete, may adversely affect the vendor's score in the evaluation process. The Purchasing Division may contact any or all business references for validation of information submitted.

5. **SUBMITTAL INSTRUCTIONS**

- 5.1 In lieu of a pre-bid conference, the Purchasing Division will accept questions and/or comments in writing, received either by mail, facsimile or e-mail regarding this ITB as follows:

Questions must reference the identifying ITB number and be addressed to the State of Nevada, Purchasing Division, Attn: Gail Burchett, Purchasing Officer, 515 E. Musser St., Suite 300, Carson City, NV 89701, e-mailed to srvpurch@purchasing.state.nv.us or faxed to (775) 688-0188. The deadline for submitting questions is August 18, 2005 at 5:00 p.m., Pacific Time. All questions and/or comments will be addressed in writing and responses e-mailed or faxed to prospective vendors on or about August 29, 2005. Please provide company name, address, phone number, e-mail address, fax number, and contact person when submitting questions.

- 5.2 Timeline

<i>TASK</i>	<i>DATE/TIME</i>
Deadline for submitting questions	August 18, 2005 @ 5:00 PM
Answers to all questions submitted available on or about	August 29, 2005 @ 5:00 PM
<u>Deadline for submission and opening of bids</u>	September 14, 2005 @ 2:00 PM
Evaluation period	September 15 – October 27, 2005
Selection of vendor	November 1, 2005

NOTE: These dates represent a tentative schedule of events. The State reserves the right to modify these dates at any time, with appropriate notice to prospective vendors.

5.3 Bid submission requirements:

- 5.3.1 Bids sent by mail or overnight delivery must be returned in a sealed envelope with the bid number and opening date clearly marked in the lower left corner on the front side of the envelope.
- 5.3.2 Bids mailed by the US Postal Service, UPS, Federal Express, DHL, etc. must be addressed to: NEVADA STATE PURCHASING DIVISION, 515 EAST MUSSER STREET, SUITE 300, CARSON CITY, NV 89701. The State Purchasing Division will not be held responsible for bid envelopes mishandled as a result of the envelope not being properly prepared.
- 5.3.3 Bids sent via fax will not be accepted.
- 5.3.4 The entire bid document including catalogs and any amendments if applicable to this bid must be returned as part of the vendor's bid submission. Vendors must return one (1) master and six (6) copies of their entire bid document submission to State Purchasing. The preferred media is CD, however, paper copies are acceptable. Failure to comply with this requirement could be grounds for non-acceptance of the bid.
- 5.3.5 Bid prices will be disclosed as required by Nevada Revised Statutes. While price is an important criteria consideration in the bid award process it is not the only criteria. A bid award is made to the lowest responsible bidder or bidders based upon an evaluation of all bids submitted and their conformance with specifications, terms and conditions stated in the bid. The Purchasing Division may reject any or all bids or may accept the bid determined best for the interest of the state.
- 5.3.6 **The bid must be received at the address referenced below no later than 2:00 PM Pacific Time, September 14, 2005.** Bids that do not arrive by the opening time and date WILL NOT BE ACCEPTED.

Bid shall be submitted to:

State of Nevada, Purchasing Division
Attn: Gail Burchett, Purchasing Officer
515 E. Musser Street, Suite 300
Carson City, NV 89701

- 5.4 The State will not be held responsible for bid envelopes mishandled as a result of the envelope not being properly prepared. Facsimile, e-mail or telephone bids will **NOT** be considered. The preferred media for bid submittal is electronic media (CD), however paper copies or floppy disc will be acceptable. As stated in section 5.3.4, the State requires one (1) master and six (6) copies.

6. BID EVALUATION AND AWARD PROCESS

- 6.1 Bids will be consistently evaluated based on the criteria as listed in this document.
- 6.2 The State may also contact the references provided in response to the Section identified as Company Background and References; contact any vendor to clarify any response; contact any current users of a vendor's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process. The evaluation committee shall not be obligated to accept the lowest priced proposal, but shall make an award in the best interests of the State of Nevada or any other Participating State.

7. TERMS, CONDITIONS AND EXCEPTIONS

Please refer to Grainger's Letter of Clarification for a detailed and completed response to Section 7, Terms, Conditions and Exceptions.

- 7.1 This procurement is being conducted in accordance with NRS chapter 333.
- 7.2 For purposes of addressing questions concerning this Invitation to Bid the sole contact will be the Purchasing Division's designee. Upon issuance of this Invitation to Bid, employees and representatives of the agencies identified herein will not answer questions or otherwise discuss the contents of this Invitation to Bid with any prospective bidders or their representatives. Failure to observe this restriction may result in disqualification of any bid. This restriction does not preclude discussions between affected parties for the purpose of conducting business unrelated to this procurement.
- 7.3 Pursuant to NRS 333.210, responsible bids must conform to all standards and specifications in the Invitation to Bid.
- 7.4 Pursuant to NRS 333.280, the Purchasing Division may enter into a contract using a standard form of contract, by advertising in accordance with the provisions of NRS 333.310, for the furnishing of goods for not more than 2 years. If an extended contractual period is necessary to promote the use of a manufacturing process, which emphasizes the efficient use of energy, or to promote the manufacture of goods, which use recycled materials, the Purchasing Division, may enter into such a contract for not more than 3 years. The original terms of a contract may be extended annually thereafter if the conditions for extension are specified in the original solicitation, and the Purchasing Division determines that an extension is in the best interest of the state.
- 7.5 In accordance with NRS 333.336, if a person who submits a bid or proposal is a resident of another state and that other state applies to bidders or contractors who are residents of that state a preference with respect to contracts awarded by that other state which is not afforded to bidders or contractors who are residents of the State of Nevada, the Purchasing Division shall, insofar as is practicable, increase the person's bid or proposal by an amount that is substantially equivalent to the preference that the other state of

which the person is a resident denies to bidders or contractors who are residents of the State of Nevada.

- 7.6 Pursuant to NRS 333.300(2), all goods with an the estimated cost in excess of \$25,000 must be purchased by formal contract from the lowest responsible bidder after due notice inviting the submission of sealed bids to the Purchasing Division at the date, hour and location set forth in the bid, and at that date, hour and location the bids must be publicly opened.
- 7.7 Pursuant to NRS 333.300(2), the Purchasing Division may reject any or all bids, or may accept the bid determined best for the interest of the State.
- 7.8 Pursuant to NRS 333.300(4), in awarding contracts for the purchase of goods, whenever two or more lowest bids are identical, the Purchasing Division shall:
- (a) If the lowest bids are by bidders resident in the State of Nevada, accept the bid that is in the best interests of the State.
 - (b) If the lowest bids are by bidders resident outside the State:
 - (1) Accept the bid for goods or commodities produced or manufactured in the State; or
 - (2) Accept the bid for goods or commodities supplied by a dealer resident in the State.
- 7.9 Pursuant to NRS 333.330(1) all bids on more than one item on which bids are called for by the same notice must be itemized and give a price for each item.
- 7.10 Pursuant to NRS 333.330(2) all bids must:
- (a) Be in writing and signed.
 - (b) Be sealed or, if the bid is submitted electronically, secured by an electronic equivalent of a seal, as approved by the Purchasing Division.
 - (c) Be opened and read publicly by the Purchasing Division as they are opened.
- 7.11 Pursuant to NRS 333.340(1) every contract or order for goods must be awarded to the lowest responsible bidder. To determine the lowest responsible bidder, the chief shall consider, if applicable, the imposition of inverse preference described in NRS 333.336 and may consider:
- (1) The location of the using agency to be supplied.
 - (2) The qualities of the articles to be supplied.
 - (3) The total cost of ownership of the articles to be supplied.
 - (4) Except as otherwise provided in paragraph (5), the conformity of the articles to be supplied with the specifications.
 - (5) If the articles are an alternative to the articles listed in the original request for bids, whether the advertisement for bids included a statement that bids for an alternative article will be considered if:
 - (a) The specifications of the alternative article meet or exceed the specifications of the article listed in the original request for bids;
 - (b) The purchase of the alternative article results in a lower price; and

- (c) The chief deems the purchase of the alternative article to be in the best interests of the State of Nevada.
 - (6) The purposes for which the articles to be supplied are required.
 - (7) The dates of delivery of the articles to be supplied.
- 7.12 Pursuant to NRS 333.340(2), if a contract or an order is not awarded to the lowest bidder, the Purchasing Division shall provide the lowest bidder with a written statement which sets forth the specific reasons that the contract or order was not awarded to him.
- 7.13 Pursuant to NRS 333.340(3), "total cost of ownership" includes, but is not limited to:
 - (a) The history of maintenance or repair of the articles;
 - (b) The cost of routine maintenance and repair of the articles;
 - (c) Any warranties provided in connection with the articles;
 - (d) The cost of replacement parts for the articles; and
 - (e) The value of the articles as used articles when given in trade on a subsequent purchase.
- 7.14 Pursuant to NRS 333.350(1), a contract may be awarded for separate items or portions or groups of items, or for separate portions or groups of portions of a project, as the best interest of the state requires.
- 7.15 Pursuant to NRS 333.350(3), the Purchasing Division may allow a person to withdraw his bid without penalty if:
 - (a) The Purchasing Division believes that an obvious error has been made by the person which would cause him financial hardship; and
 - (b) The contract has not yet been awarded.
- 7.16 Pursuant to NRS 333.350(4) each bid and the name of the person making the bid shall be entered on a record. The record, with the name of the successful bidder indicated thereon, shall be open to public inspection after the award of the contract.
- 7.17 Reference to a specific manufacturer or a specific product or model in the bid specifications does not restrict bidders to that manufacturer, product or model. This method is used to indicate the functional requirements (e.g., type, design, characteristics, quality) of the article desired. Bids may be considered on other manufacturer's products or other models determined by the Purchasing Division to be the functional equivalent of the product or model referenced.
- 7.18 Submission of a bid shall constitute an agreement to all terms and conditions specified in the Invitation to Bid, including, without limitation, the Terms and Conditions for Purchase of Goods set forth in Section 8, except such terms and conditions that the bidder expressly excludes.
- 7.19 Bids must include any and all proposed terms and conditions, including, without limitation, written warranties, maintenance/service agreements, license agreements, lease purchase agreements and the bidder's standard contract language. The omission of these

documents renders a bid non-responsive. A review of these documents is necessary to a determination of which bid is in the best interests of the State.

- 7.20 Prices offered in bids are an irrevocable offer for the term of the contract and any contract extensions unless otherwise specified.
- 7.21 The Purchasing Division's acceptance of a bid through a written Notification of Award will create a binding contract.
- 7.22 Damages for breach of contract and penalties may be assessed by the Purchasing Division in accordance with NRS 333.365.
- 7.23 Tabulations of the bid evaluation are available to all bidders at their expense by contacting the Purchasing Division.
- 7.24 Any unsuccessful bidder may file an appeal in strict compliance with NRS 333.370.
- 7.25 Pursuant to NRS 372.123 any vendor who enters into a contract with the State of Nevada and who sells tangible personal property in the State of Nevada is required to obtain a permit pursuant to NRS 372.125 and to agree to collect and pay the taxes imposed by law on the sale of tangible personal property in this state.
- 7.26 Performance of vendors will be rated semi-annually following contract award and then annually for the term of the contract by the using State agency in six categories: customer service; timeliness; quality; technology; flexibility; and pricing. Vendors will be notified in writing of their rating.

8. TERMS AND CONDITIONS FOR PURCHASE OF GOODS:

Please refer to Grainger's Letter of Clarification for detailed response to Section 8, Terms and Conditions for Purchase of Goods.

- 8.1 **ASSENT:** The State and Vendor agree that the State's acceptance of Vendor's Bid through the issuance of a written Notification of Award shall create a binding Contract.
- 8.2 **INCORPORATED DOCUMENTS:** The Contract shall consist of this Invitation to Bid, any amendments to this invitation to bid if applicable the Vendor's Bid and all documentation contained therein, and the Notification of Award, together with any subsequently-issued Purchase Order executed by a person with full power and authority to issue same on behalf of the State. A Vendor's Bid shall not contradict or supersede any State specifications, terms or conditions without written evidence of mutual assent to such change appearing in this Contract.
- 8.3 **DEFINITIONS:** "State" means the State of Nevada and any state agency identified herein.
- 8.4 **CONTRACT TERM:** This Contract shall be effective for the period indicated in the Invitation to Bid, unless sooner terminated by either party as set forth in this Contract. The Contract term may be extended in accordance with NRS 333.280.

- 8.5 **NOTICE:** All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address set forth above.
- 8.6 **TERMINATION:**
- a. Without Cause. This Contract may be terminated upon written notice by mutual consent of both parties or by the State upon 5 days written notice without cause
 - b. State Termination for Nonappropriation. The continuation of this Contract beyond the current biennium is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the State Legislature and/or federal sources. The State may terminate this Contract, and Vendor waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the Contracting Agency's funding from State and/or federal sources is not appropriated or is withdrawn, limited, or impaired.
 - c. Cause Termination for Default or breach default or breach may be declared with or without termination. Either party upon written notice of default or breach to the other party may terminate this Contract as follows:
 - i. If Vendor fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or
 - ii. If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Vendor to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or
 - iii. If Vendor becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or
 - iv. If the State materially breaches any material duty under this Contract and any such breach impairs Vendor's ability to perform; or
 - v. If it is found by the State that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by Vendor, or any agent or representative of Vendor, to any officer or employee of the State of Nevada with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or
 - vi. If it is found by the State that Vendor has failed to disclose any material conflict of interest relative to the performance of this Contract.
 - d. Time to Correct. Termination upon a declared default or breach may be exercised only after service of formal written notice as specified in paragraph (5), and the subsequent failure of the defaulting party within 15 calendar days of receipt of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.
 - e. Winding Up Affairs Upon Termination. In the event of termination of this Contract for any reason, the parties agree that the provisions of this paragraph survive termination:

- i. The parties shall account for and properly present to EA other all claims for fees and expenses and pay those that are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;
- ii. Vendor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by the Contracting Agency.

8.7 **REPRESENTATIONS AND WARRANTIES:** Vendor represents and warrants to the State:

- a. **Vendor Authorization:** Vendor is duly organized, validly existing, and in good standing under the appropriate laws with full power and authority to conduct the business that it presently conducts in the State of Nevada. Vendor has the legal power and right to enter into and perform the Contract. Consummation of the transactions contemplated by the Contract will not violate any provision of law, or any of Vendors governing documents (articles of incorporation, partnership Contract, etc). Execution of the Contract and all documents provided for in the Contract by Vendor and its delivery to the State have been duly authorized by the board of directors or managing agents of Vendor and no further action is necessary on Vendor's part to make the Contract valid and binding on Vendor in accordance with its terms. Vendor has obtained all licenses and permits to perform all of its requirements under the Contract, and is current on all tax obligations to the State of Nevada or any other governmental entity in Nevada.
- b. **Bid Representations:** All statements made by Vendor on any application, bid, proposal, offer, financial statement, or other document used by Vendor to induce the State to enter into the Contract are true, correct, complete, and omit no information which would render them misleading.
- c. **Use of Broker:** Vendor agrees to indemnify the State from any damage, liability, or expense that it may suffer as a result of any claim of a broker or other finder with whom it is determined that Vendor has dealt in connection with the transactions contemplated under the Contract.
- d. **Express Warranties:** For the period specified on the face of the Contract, Vendor warrants and represents EA of the following with respect to any goods provided under the Contract, except as otherwise provided on the face of the Contract or in an Contract signed by both parties:
 1. **Fitness for Particular Purpose:** The goods shall be fit and sufficient for the particular purpose set forth above.
 2. **Fitness for Ordinary Use:** The goods shall be fit for the purpose for which goods of a like nature are ordinarily intended, it being understood that the purpose for the goods covered by the Contract are ordinarily intended is general government administration and operations.
 3. **Merchantable, Good Quality, No Defects:** The goods shall be merchantable, of good quality, and free from defects, whether patent or latent, in material and workmanship.
 4. **Conformity:** The goods shall conform to the standards, specifications and descriptions set forth above. If Vendor has supplied a sample to the State, the goods delivered shall conform in all respects to the sample and if the sample should remain in the State's

- possession it shall be identified by the word "sample" and the signature of Vendor's sales representative.
5. Uniformity: The goods shall be without variation, and shall be of uniform kind, quality, and quantity within EA unit and among all units.
 6. Packaging and Labels: The goods shall be contained, packaged, and labeled so as to satisfy all legal and commercial requirements applicable to use by a government agency, including without limitation, OSHA material safety data sheets and shall conform to all statements made on the label.
 7. Full Warranty: The foregoing warranties are "full" warranties within the meaning of the Magnuson-Moss Warranty -- Federal Trade Commission Improvement Act, 15 U.S.C. § 2301 *et seq.*, and implementing regulations 16 C.F.R. pts. 700-703, if applicable to this transaction.
 8. Title: Vendor has exclusive title to the goods and shall pass title to the State free and clear of all liens, encumbrances, and security interests.
- e. Infringement; Indemnity: Vendor warrants the purchase or use of the goods shall not infringe upon any United States or foreign patent, and Vendor shall indemnify the State against all judgments, decrees, costs, and expenses resulting from any alleged infringement and shall defend, upon written request of the State, at its own expense, any action which may be brought against the State, its vendees, lessees, licensees, or assigns, under any claim of patent infringement in the purchase or use of Vendor's goods. If the State is enjoined from using such goods, Vendor shall repurchase such goods from the State at the original purchase price. The State shall notify Vendor promptly in writing of any such suit. If the State compromises or settles any such suit without the written consent of Vendor, Vendor shall be released from the obligations of this paragraph and from any liability to the State under any statute or other rule of law.
- f. Usage of Trade; Course of Dealings; Implied Warranties: Vendor shall also be bound by any other implied warranty that, at the time of execution of this Contract, prevails in the trade of government in the marketing area in and about the State of Nevada. Vendor shall also be bound by any other implied warranty arising through course of dealings between Vendor and the State from and after the execution of this Contract. Vendor shall also be bound by all warranties set forth in Nevada's Uniform Commercial Code (NRS Title 8) in effect on the date of issuance of the Notification of Award.
- g. Warranties Cumulative: It is understood that warranties created by this Contract, whether express or implied, as well as all warranties arising by operation of law that affect the rights of the parties under this Contract, are cumulative and should be construed in a manner consistent with one another.
- h. Priority of Warranties: If it is held by a court of competent jurisdiction that there is an irreconcilable conflict between or among any of the warranties set forth in this Contract and any warranties implied by law, the parties

agree that the specifications contained in this Contract shall be deemed technical and mere language of description.

- i. Beneficiaries of Warranties: Benefit of any warranty made in this Contract shall be in favor of the State, any of its political subdivisions or agencies, and any employee or licensee thereof who uses the goods, and the benefit of any warranty shall apply to both personal injury and property damage.

- 8.8 **DELIVERY, INSPECTION, ACCEPTANCE, TITLE, RISK OF LOSS:** Vendor agrees to deliver the goods as indicated in the Contract, and upon acceptance by the State, title to the goods shall pass to the State. The State shall have the right to inspect the goods on arrival and, within a commercially reasonable time, State must give notice to Vendor of any claim or damages on account of condition, quality, or grade of the goods, and the State must specify the basis of the claim in detail. Acceptance of the goods described in this Contract is not a waiver of UCC revocation of acceptance rights or of any right of action that the State may have for breach of warranty or any other cause. Unless otherwise stated above, risk of loss from any casualty, regardless of the cause, shall be on Vendor until the goods have been accepted and title has passed to the State. If given any, the State agrees to follow reasonable instructions regarding return of the goods.
- 8.9 **NO ARRIVAL, NO SALE:** The Contract is subject to provisions of no arrival, no sale terms, but proof of shipment is to be given by Vendor, EA shipment to constitute a separate delivery. A variation of ten days in time of shipment or delivery from that specified herein does not constitute a ground for rejection. The State may treat any deterioration of the goods as entitling the State to the rights resulting from a casualty to the identified goods without regard to whether there has been sufficient deterioration so that the goods no longer conform to the Contract.
- 8.10 **PRICE; TAXES; PAYMENT:** The price quoted is for the specified delivery, and, unless otherwise specified in the Contract, is F.O.B. (freight included) to the delivery address specified above. Unless otherwise specified in the Contract, the price does not include applicable federal or State sales, use, excise, processing or any similar taxes, or duty charges, which shall be paid by the State, or in lieu thereof, the State shall provide Vendor with a tax exemption certificate acceptable to the applicable taxing authority. Unless otherwise specified in the Contract, payment shall be made by warrant drawn on the State of Nevada (in accordance with Nevada law) and mailed to Vendor at the address specified above (or to assignee if assignment is acknowledged by the State) within the time specified above.
- 8.11 **BREACH; REMEDIES:** Failure of either party to perform any obligation of the Contract shall be deemed a breach. In the event of a breach, the party asserting breach may, in addition to any remedies or rights afforded by Nevada law, cancel the Contract with respect to any executory obligations. All rights and remedies are cumulative with one another and with those provided by law, and exercise of one remedy or right is not a waiver of the right to pursue any other right or remedy afforded. Penalties provided under Nevada law (e.g. NRS 333.365) shall be limited to those in effect on the effective date of the Contract. Either party, as a prevailing party to any arbitration or other action regarding the enforcement of the Contract, is entitled to reasonable attorneys fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation \$125 per hour for State-employed attorneys. The State may set off consideration against any unpaid obligation of Vendor to any State agency.

- 8.12 **LIMITED LIABILITY:** The State will not waive and intends to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages.
- 8.13 **WAIVER OF BREACH:** A failure to assert any right or remedy available to a party under this Contract, or a waiver of the rights or remedies available to a party by a course of dealing or otherwise shall not be deemed to be a waiver of any other right or remedy under this Contract, unless such waiver is contained in a writing signed by the waiving party.
- 8.14 **SEVERABILITY:** If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.
- 8.15 **ASSIGNMENT/DELEGATION:** To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by State, such offending portion of the assignment shall be void, and shall be a breach of this Contract. No duties of either party may be delegated without written consent by the other party, and any such consent does not in any way affect the liability of the delegating party, unless the writing so states.
- 8.16 **FORCE MAJEURE:** Vendor shall not be liable for any delay in delivery or failure to deliver any or all of the goods where the delay or failure is caused by labor troubles, strikes, lockouts, war, riots, insurrection, civil commotion, failure of crops or supplies from ordinary sources, earthquake, fire, flood, storm, accident, any act of God or any other cause beyond the control of Vendor. State shall not be liable for failure to take delivery of the goods where any of the above causes prevent carrier or State from accepting delivery. But, in any case, the party claiming the benefit of this provision shall use due diligence to remove any such causes and to resume performance under this Contract as soon as is feasible. Performance by the other party shall be suspended and excused during the period of any such delay or failure and performance shall resume as soon as possible after removal of the excuse.
- 8.17 **GOVERNING LAW; JURISDICTION:** The laws of Nevada, including, without limitation, Nevada's Uniform Commercial Code (NRS Title 8) in effect on the date of the Notification of Award, shall govern this Contract. The parties consent to the jurisdiction of the First Judicial District Court, Carson City, Nevada for enforcement of this Contract.
- 8.18 **ENTIRE AGREEMENT; CONFLICT WITH OTHER DOCUMENTS:** This Contract (including all incorporated attachments) is intended by the parties as the final expression of their agreement and is the complete and exclusive statement of the terms hereof. All prior agreements are superseded and excluded. Prices, quantities, dates, and places of deliveries and means of transportation may be fixed by attachments to this Contract. Except as previously stated, if any term in any incorporated attachment or in any Vendor's invoice contradicts or negates a term in this Contract, this Contract shall control. All amendments must be in writing signed by the parties.

Attachment A

CERTIFICATION OF COMPLIANCE WITH TERMS AND CONDITIONS OF BID

I have read, understand and agree to comply with the terms and conditions specified in this Invitation for Bid.

Checking "YES" indicates acceptance of all terms and conditions, while checking "NO" denotes non-acceptance and vendor's exceptions should be detailed below. In order for any exceptions to be considered they **MUST** be documented.

YES _____ I agree NO X Exceptions below:

SIGNATURE
Primary Vendor



Date 9-13-2005

PRINT NAME Doug D'Alessio
Primary Vendor

EXCEPTION SUMMARY FORM

BID SECTION NUMBER	BID PAGE NUMBER	EXCEPTION (PROVIDE A DETAILED EXPLANATION)
3.2	6	Please see attached Letter of Clarification
3.6	7	" "
3.7	7	" "
3.8	7	" "
3.15	9	" "
3.17	9	" "
3.18	9	" "
7.19	15	While this is not an exception, Grainger has attached terms and conditions for the additional options of Grainger Parts and Product Sourcing.

Attach additional sheets if necessary. Please use this format.

Attachment A (Continued)

CERTIFICATION OF COMPLIANCE WITH TERMS AND CONDITIONS OF BID

I have read, understand and agree to comply with the terms and conditions specified in this Invitation for Bid.

Checking "YES" indicates acceptance of all terms and conditions, while checking "NO" denotes non-acceptance and vendor's exceptions should be detailed below. In order for any exceptions to be considered they **MUST** be documented.

YES _____ I agree NO X Exceptions below:

SIGNATURE _____
Primary Vendor

_____ Date

PRINT NAME _____
Primary Vendor

EXCEPTION SUMMARY FORM

BID SECTION NUMBER	BID PAGE NUMBER	EXCEPTION (PROVIDE A DETAILED EXPLANATION)
8.2	15	Please see attached Letter of Clarification
8.7	17	" "
8.8	19	" "
8.11	19	" "
Attachment B "Hold Harmless"	25	" "
Attachment B "Delivery"	25	" "

Attach additional sheets if necessary. Please use this format.



w5-2001

BASIC CONTACT INFORMATION - LEAD STATE

[illegible]

Email: gburchet@purchasing.state.nv.us

LINK TO LEAD STATE WEBSITE

http://purchasing.state.nv.us/pur_info/grainger.htm

INCEPTION & EXPIRATION

Extensions Remaining: None

OVERVIEW/SUMMARY

- Industrial Supplies and Equipment
- Janitorial Supplies and Equipment
- Lighting Products

*****Click on the participating states on the map above to see Grainger landing pages*****

CONTRACTOR INFORMATION

Authorized Contractors: Grainger, Inc.

CONTRACTS

- [Contract](#)
- [Contract Extension](#) (through November 30, 2008)
- [Contract Extension](#) (through November 30, 2009)

Original Award Contract Documents

- New Contract Information Effective December 1, 2005
- [Notification of Award](#)
- Contractor Response Including Best and Final Offer
- Marketbasket Offer with Pricing
- Percentage Off "Grainger Each" Prices

PRICING

- [2008 Extension Market Basket and Discount Prices](#)
- [2008 Contract Offering](#)
- [2008 Market Basket](#)
- [2007/2008 Program Enhancements](#)
- [2006/2007 Program Enhancements](#)

Master price agreement is available online for any participating states by clicking on the map above.

UPDATES & OTHER PARTICIPATION

- [2010 Extension Letter](#)
- [2006 Contract Status Report](#)

PARTICIPATION

Process for State Participation: Contact Nevada or Grainger for a Participating Addendum form. Attach any special terms and conditions to the form and send to Grainger.